



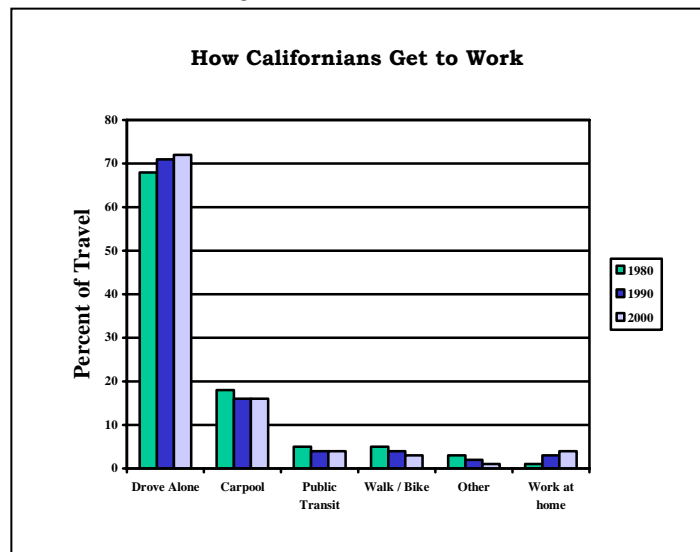
Briefing Report

Transportation In California

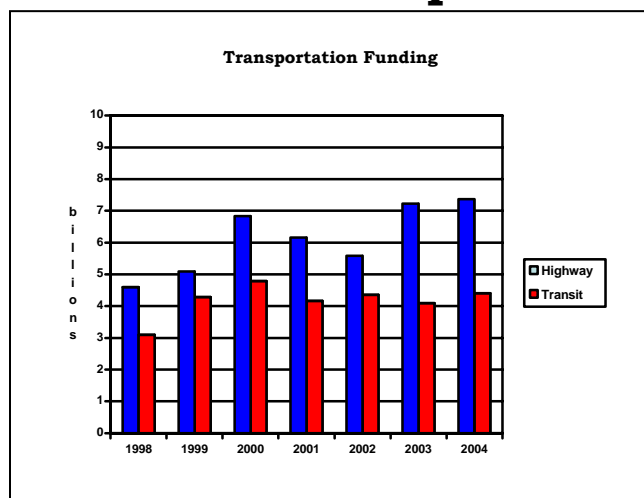
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Why California's Transportation System is Broken

Every Californian knows that our transportation system is broken, but the question that seems to mystify both the public and policymakers is why. The answers are fairly simple, and they are displayed for all to see in "Time to Work," a recent report issued by the Public Policy Institute of California. What the report shows is that Californians almost exclusively drive to work, and, despite the investment of billions in federal, state, and local revenues to reverse the trend, they still do.



How California Spends Transportation Dollars



Transportation finance is a zero-sum equation, meaning that there is a limited amount of transportation funding and, for every dollar spent in one area, a dollar is not spent in another. The chart above indicates where all the people are, so common sense would tell you that must be where we are spending all our transportation dollars.

Where California's leaders choose to invest their limited state and federal transportation dollars, in the wrong place. California

spends roughly \$11 billion a year in state and federal dollars to fund transportation programs. Despite the fact that, as the PPIC data reflects, less than 5% of the public uses mass transit, it receives almost 40% of the funding.

In other words, California transportation planners and government officials are currently spending 40 cents out of every dollar that is invested in transportation to support facilities that are used by less than 5% of the public. Is it any wonder that California's freeways are choked with congestion?

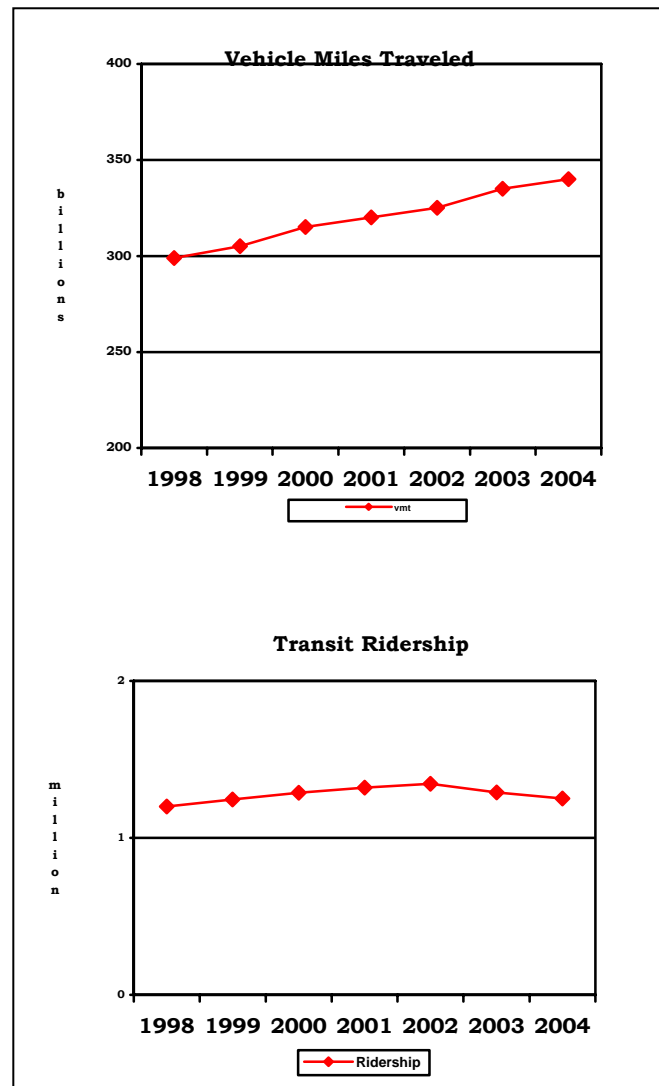
Transit Investments and Traffic Congestion

There is a generally held belief among supporters of mass transit that rail transit helps to reduce congestion, a problem that -- according to the Texas Transportation Institute -- costs Americans \$60 billion in lost time and about 6 billion gallons of fuel every year. However, data from across the country seems to contradict this belief. Much of the growth in congestion across the nation is in precisely the areas that have invested most heavily in rail transit. Data in California confirms this phenomenon. Despite the fact that California has invested almost \$30 billion in federal and state transportation funds into transit between 1998 and

2004, the ridership has remained static, going from 1.2 to 1.25 million riders over a 7-year period. During the same period, vehicle miles traveled increased 290 billion miles to over 340 billion miles – more than 50 billion miles.

Clearly, the investment in transit has not removed a significant number of commuters from the road system, and it is not significantly reducing the vehicle miles traveled. Transit proponents are undeterred by these figures and argue instead that investment in transit projects provides significant congestion relief by keeping commuters off the roads and highways.

Is the investment that California is making in transit cost effective? When calculating the cost of California transit systems, it comes to light that transit costs per trip



averaged \$40.25. When multiplied out over an entire year, this represents over \$18,000 a year in direct subsidy per commuter. For that cost, it would be far cheaper to purchase a fuel-efficient sedan for every transit rider in California.

Conclusion

The California Legislature recently placed almost \$20 billion in transportation infrastructure bonds on the November ballot. If passed by the voters the bond would provide \$4.5 billion for highway projects, \$4.0 billion for mass transit, \$3.1 billion for trade infrastructure, \$2 billion for local streets and roads, and \$1 billion for highway 99.

Republicans have argued for decades that California's transportation crisis is not simply the lack of funding, but a lack of vision. Despite the fact that over 90% of the population uses the roads and highways, California continues to spend 40% of every transportation dollar on a program that services less than 5% of its population. The transportation bond is no exception, with an additional \$5 billion going to support transit operators for the expansion of their rail systems, the purchase of rolling stock, and security systems.

The time has come not only to provide new investments into transportation, but new vision into how we address the transportation needs of California. It is high time that government follow the lead of its citizens and shift funding away from underutilized transit systems and into the expansion of California's roads and highways to address population growth and vehicle miles traveled. Expanding our roads and highways will reduce congestion on the roads and pollution in the air, and all at a fraction of what it would cost to deliver the same results through public transit.

For more information on this report or other Transportation & Housing issues, contact Ted Morley, Senate Republican Office of Policy at 916/651-1501 or ted.morley@sen.ca.gov